

**FINANCE COMMITTEE
IPSWICH TOWN HALL, ROOM A
25 Green Street
TUESDAY, Jan. 6, 2015, 7:30 PM
Accepted 02/10/15**

FINCOM Members in Attendance: Mitch Feldman, Chairman, Jamie Fay, Rob White, Marion Swan, Richard Howard, Ingrid Miles, and Michael Schaaf. Kevin Murphy arrived 7:57 pm, and Janice Clements Skelton was absent.

Call to order at 7:33 pm with 7 (seven) members present. ICAM was recording, and Cindy Quinn, the Minutes Secretary, was present.

Other Officials in Attendance: Don Newell (ELD Manager), Jim Engel (ELD Subcommittee), John Kennedy (NESDEC), and Carl Nylen (School Committee).

Abbreviations used: FINCOM Finance Committee, BOS Board of Selectmen, TM Town Manager, SC School Committee, ELD Electric Light Department, MSBA Massachusetts School Building Authority, NESDEC New England School Development Council, OPEB Other Post Employment Benefits, PPFA Purchase Power Fuel Adjustment, STM Special Town Meeting

Documents used:

- Agenda 01/06/15
- Minutes from 11/12/14 and 12/09/14
- ELD packet from D. Newell
- ELD Capital Plan from D. Newell

CITIZEN QUERIES: there were no inquiries. J. Fay mentioned that the audit was not finished.

MINUTES:

It was moved and seconded to accept the minutes from 11/12/14 with the revisions. The committee has not seen the reports from the Feoffees statements, but the motion passed unanimously. I. Miles moved, seconded by R. White, to accept the 12/09/14 minutes. The vote was 6-0 with M. Swan abstaining.

CHOICE DISCUSSION

J. Kennedy, NESDEC, described his organization and its goals where they help school districts solve problems. For Ipswich, they were providing a study and analysis of School Choice through interviews with staff, students, administration, and others, and they hope to have a final report in about a month.

At this meeting, he is seeking feedback from the FinCom on Choice. (K. Murphy arrived.) The three factors he is considering are the demographics here and in other towns, what happens to the

current student population, and programming that might draw students from other towns. John proceeded to ask some questions about the strengths and the challenges in the District. C. Nylén commented on the \$5000 cost to the Ipswich Schools per student to go elsewhere.

ELECTRIC LIGHT CAPITAL BUDGET

ELD Manager D. Newell had projected \$998,000 for the capital plan for 2015, but the automatic metering (AMI) system expenses have been reduced. In conjunction with Water and Wastewater, the AMI system is a real-time metering system.

Don informed the FinCom that the ELD would spend \$625,000 installing catalysts on the generators to be EPA compliant. The BOS have voted to fund this project with a loan from the Rate Stabilization Fund, which would be repaid with PPFA monies. Because the power plant serves as emergency power backup for the water treatment plant, another \$300,000 is necessary for repairs on eight engines, which would increase the value of the plant's capacity. Payback on the loan would be about 1 ½ years, but it may mean deferring other projects. Another concern is reviewing this annually to consider reliability issues.

J. Engel indicated the value (\$2 million) of the plant and then talked about underground line projects and challenges in the ELD such as new personnel and no operations manager. When Don was hired, the ELD Commissioners put that position on hold for further study. He is completing a list of things that need to be completed.

M. Schaaf discussed the former arrangement of director and operations manager. Some of the big issues in the department involve conservation, the capital budget plan, solar projects, and electric rates. Some parts of the conservation program are not popular, and ELD will be developing metrics so that more of the conservation dollars are expended.

FINANCE COMMITTEE ATM REPORT

Chairman M. Feldman requested a FinCom member to spearhead the ATM report. Last fall, M. Swan did the STM commentary, and she mentioned how F. Antonucci, Purchasing Director, was helpful.

NEW BUSINESS:

R. White updated the committee on the audit. Completed in November, he will follow up to see why there are no reports yet.

For the School Audit Committee, K. Murphy announced it meets tomorrow. Questionnaires have been sent out, and the findings will be discussed in Feb.

Kevin reported on the School Building Needs, which meets next week. A 210-page report went to the MSBA compiling various details. When the committee does the feasibility study, that information may be more useful.

Because some of the changes in the benefits are not predictable, M. Schaaf requested an actuary report on benefits.

It was moved, and seconded, to adjourn at 9:38 pm. The vote was unanimous.

Respectfully submitted by

Cynthia D. Quinn

Minutes Secretary